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**Progress report on promoting and strengthening synergies among the three pillars**

# Progress report on promoting and strengthening synergies among the three pillars related to transport and trade facilitation and cross-divisional capacity-building

**Note by the UNCTAD secretariat**

## Introduction on transport and trade facilitation

1. UNCTAD has long recognized the many dimensions of freight transport and trade facilitation. In recent years, in particular since the twelfth session of the United Nations Conference on Trade and Development held in Accra and the thirteenth session of the United Nations Conference on Trade and Development held in Doha, UNCTAD has carried out activities under its three pillars of work to assist developing countries in initiating a paradigm shift towards greater sustainability and resilience in freight transport and trade facilitation. In doing so, UNCTAD is also increasingly harnessing the synergies that prevail among its three pillars of work.

2. In 2014, UNCTAD continued to assist developing countries in making informed policy choices to address persistent and emerging transport and trade facilitation-related challenges and, as appropriate, provide relevant associated capacity-building and technical assistance to, inter alia, identify needs, gaps and priorities and design appropriate policy response measures.

3. With 2014 being a pivotal year for landlocked developing countries and small island developing States, UNCTAD, through its mandated work programme in the field of transport and trade logistics, intensified its work on addressing the unique transport and trade logistics challenges facing these two vulnerable groups.

4. In carrying out its work in the field of transport and trade facilitation, UNCTAD recognizes the multiplicity of stakeholders and therefore emphasizes the importance of promoting greater coordination and consultation within and between Governments, as well as with key stakeholders such as the transport industry and trade community.

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## II. Research and analysis on transport and trade facilitation

5. The 2014 edition of the *Review of Maritime Transport* – UNCTAD's long-established flagship publication – was launched on 20 November 2014. Consistent with past editions, it provided an update of relevant maritime transport statistics and trends, together with relevant analysis of key trends affecting various aspects of maritime transport and international trade, including demand for and supply of shipping services, markets and costs, port developments and the regulatory framework. A special chapter was dedicated to the maritime transport situation in small island developing States, which suggested that an effective way forward for transport and trade logistics in these States required a portfolio of measures spanning a range of areas, including trade logistics, climate change and resilience-building, energy and financing of sustainable and resilient transport systems.[1] UNCTAD continues to publish every three months an electronic newsletter on transport that provides information on recent and upcoming transport and trade facilitation events and publications and features selected topical articles.

6. With regard to non-recurrent publications, in August 2014, UNCTAD published a substantive analytical two-part report on maritime piracy, as follows: *Maritime Piracy, Part I: An Overview of Trends, Costs and Trade-related Implications* provided figures and statistics describing overall trends in maritime piracy and related crimes; and *Maritime Piracy, Part II: An Overview of the International Legal Framework and of Multilateral Cooperation To Combat Piracy* provided an overview of the contemporary international legal regime for countering piracy and identified key examples of international cooperation in the area (see http://unctad.org/es/paginas/newsdetails.aspx?OriginalVersionID=814).

7. Against the backdrop of the International Year of Small Island Developing States, UNCTAD prepared a report entitled "Closing the Distance: Partnerships for Sustainable and Resilient Transport Systems in Small Island Developing States" (forthcoming). The work was informed by input and guidance gathered at an ad hoc expert meeting held on 11 July 2014 on the theme "Addressing the transport and trade-logistics challenges of the small island developing States: Samoa Conference and beyond".

8. In the area of trade facilitation, in 2014, UNCTAD actively participated in and supported the establishment of national trade facilitation bodies in developing countries. In addition, UNCTAD published a new report entitled *National Trade Facilitation Bodies in the World*. Based on an in-depth analysis of 50 trade facilitation bodies, this report provided the first quantitative analysis of existing national trade facilitation bodies and a first-hand set of recommendations extracted from the experiences of participating stakeholders. Further, UNCTAD created an online repository of case studies from countries that have set up such bodies, accessible via an interactive map (see http://unctag.org/TFCommittees). As the only repository of its kind, the online repository has attracted the attention of member States and implementation agencies and donors since the adoption of the Agreement on Trade Facilitation by World Trade Organization member countries.

9. Work by UNCTAD on the implications of climate change for maritime transportation has focused, since 2008, on impacts and the adaptation needs of seaports and other coastal transport infrastructure. Work in this area has contributed to raising awareness and advancing the international debate on climate change-related impacts and adaptation

[1] In the *Review of Maritime Transport 2013*, a special chapter was dedicated to the maritime transport situation in landlocked countries, which provided an overview of recent progress made in understanding impediments to accessing sea-shipping services for the trade of goods between landlocked territories and overseas markets.

needs in transport. Important synergies are created through inter-agency cooperation and the establishment of a committed multidisciplinary network of experts. Most recently, the work of UNCTAD was referred to in several chapters of the Working Group II contribution to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change in 2014. UNCTAD has initiated a port industry survey on climate variability and change to improve understanding of weather and climate-related impacts on seaports and assess data needs, as well as current levels of resilience and preparedness among ports. This work is ongoing.

10. In addition, UNCTAD has continued updating its well-established databases aimed at supporting evidence-based research, technical cooperation and capacity-building in the area of transport and trade facilitation. In this regard, UNCTAD has, over the years, compiled extensive statistics on maritime transport. Its online coverage of maritime transport data includes merchant fleet by flag of registration and by type of ship,**Error! Hyperlink reference not valid.** merchant fleet by country of beneficial ownership, container port throughput, world seaborne trade by types of cargo and country groups and the Liner Shipping Connectivity Index (see http://unctadstat.unctad.org/wds/ReportFolders/reportFolders.aspx).

11. UNCTAD has produced the country-level Liner Shipping Connectivity Index annually since 2004 (see http://stats.unctad.org/lsci). The Index provides an indicator of a country's access to the global liner shipping network and thus to overseas markets for containerizable merchandise, i.e. most manufactured goods. The Index is well established, complementing other global indicators such as the Doing Business project and Logistics Performance Index in the analysis of international trade and logistics.

## III. Consensus-building on transport and trade facilitation

12. From 1 to 4 July 2014, UNCTAD organized two expert meetings focusing on trade facilitation, namely the second session of the Multi-year Expert Meeting on Transport, Trade Logistics and Trade Facilitation and an ad hoc expert meeting on national trade facilitation committees.

13. Against the backdrop of the International Year of Small Island Developing States, UNCTAD organized three key intergovernmental meetings with a focus on small island developing States and their transport-related challenges, including in particular climate and weather-related threats to critical coastal transport infrastructure and operations. In addition to the ad hoc expert meeting held on 11 July, events in 2014 included the following:

(a) A high-level side event held at the Third International Conference on Small Island Developing States (Samoa Conference), 1–4 September, on the theme "Harnessing the oceanic wealth of small island developing States through sound trade specialization and sustainable and resilient maritime transport". This event benefited from effective cross-divisional cooperation with the Division on International Trade and Commodities and collaboration with the Pacific Islands Forum Secretariat.

(b) The third session of the Multi-year Expert Meeting on Transport, Trade Logistics and Trade Facilitation, 24–26 November. This session addressed the challenges in transport and trade logistics faced by small island developing States.

14. UNCTAD also contributed to the second United Nations Conference on Landlocked Developing Countries, held in Vienna in November 2014, with a joint side event with the World Trade Organization on the theme "Harvesting the benefits of trade facilitation for landlocked developing countries". In relation to its work on climate change-related impacts and related adaptation requirements in transport, UNCTAD furthered its collaboration with relevant intergovernmental and non-governmental organizations, including helping to

ensure that the special needs and capacity requirements of developing countries are taken into consideration. In this respect, in late 2014, UNCTAD joined the Working Group on Climate Change Adaptation for Maritime and Inland Port and Navigation Infrastructure, established by the World Association for Waterborne Transport Infrastructure. UNCTAD has also joined the Advisory Panel for the Peer Review of the Regional Framework for Adaptation to Climate Change in Coastal and Marine Areas in the Mediterranean, being developed by the United Nations Environment Programme Mediterranean Action Plan.

## IV. Technical assistance and capacity-building activities in transport and trade facilitation

15. In 2014, UNCTAD continued to carry out a large number of technical assistance projects and capacity-building activities in the area of transport and trade facilitation. Furthermore, UNCTAD contributed to several international teaching programmes, notably the following: Nanjing University and East China Normal University, China; University of the Basque Country, Spain; University of Geneva, Switzerland; executive master in global supply chain management, Ecole Polytechnique Fédérale, Lausanne, Switzerland; and World Maritime University of the International Maritime Organization, Malmö, Sweden. Information about the substantive work of UNCTAD in the field of transport, trade logistics and trade facilitation was also disseminated at various international and regional meetings and events such as the following: Caribbean Renewable Energy Forum of the Caribbean Community, held in Barbados; sixteenth Congress of the Colombian Federation of Logistic Agents in International Trade, held in Colombia; second forum on ports and containers organized by the National Business Association of Colombia; Baltic Ports Conference, held in Denmark; consultations with other international organizations on the 2015 International Transport Forum at the Organization for Economic Cooperation and Development, held in France; tenth Conference of the Pan African Association for Port Cooperation, held in Kenya; Maritime-Insight executive meeting, held in Sweden; and seminar on capacity-building for the development and operation of Dry Ports of International Importance, hosted by the International Union of Railways and the United Nations Economic and Social Commission for Asia and the Pacific and held in Thailand. These events provided additional opportunities to disseminate the results of the work of UNCTAD and gain insight into relevant issues, as well as to establish and/or renew contact with a range of delegates and stakeholders for the purpose of future cooperation.

16. UNCTAD assisted numerous member countries in preparing for implementation of the Agreement on Trade Facilitation of the World Trade Organization. With financing provided by the Government of Sweden, UNCTAD supported developing countries and least developed countries in the finalization of national trade facilitation implementation plans. In this context, a regional event took place in Santo Domingo in March 2014 under the project on implementation plans for the Agreement on Trade Facilitation, an initiative financed by the European Union.

17. UNCTAD and the German aid agency Deutsche Gesellschaft für Internationale Zusammenarbeit also collaborated to provide assistance towards the implementation of the Agreement on Trade Facilitation in the East African Community.

18. Overall, UNCTAD trade facilitation projects have an impact on the development of member States in two major ways. First, their contribution to development is through the easing of trade. This impact is straightforward and has long been recognized. Second – a more direct link to development – the reforms themselves help to generate better quality employment, get small traders into the formal sector, make economic activities more transparent and accountable, promote good governance, strengthen information technology capabilities and generally help modernize societies.

19. Technical assistance activities aimed at building the capacity of developing countries, in particular small island developing States, to understand, design and implement more sustainable transport systems that are resilient to the effects of climate change include two new technical assistance projects supported by the United Nations Development Account and currently being implemented, as follows:

(a) Climate change impacts on coastal transport infrastructure in the Caribbean: enhancing the adaptive capacity of small island developing States (2014–2017). This project was initiated in light of paragraph 56 (j) of the Doha Mandate, which states that UNCTAD should advise small island developing States "on the design and implementation of policies addressing their specific trade and trade logistics challenges linked to their remoteness and geographical isolation".

(b) Building capacities of developing countries to shift towards sustainable freight transport. This three-year project, which will be implemented in Africa and the Caribbean, aims at building capacities and providing advisory services to developing countries to enable a reorientation towards sustainable freight transport through sound transport policy measures and financing mechanisms.

## V. Customs automation: ASYCUDA

20. In 2014, UNCTAD continued to deliver technical assistance to developing countries through its programme on customs automation and modernization, ASYCUDA, which is its largest technical assistance programme. In the same year, three new countries and/or territories, namely Angola, Antigua and Barbuda and Saint Pierre and Miquelon, adopted ASYCUDA. In total, there were 57 operational ASYCUDA technical assistance projects, including eight regional and interregional projects. Also in the same year, UNCTAD staff and consultants undertook 270 support, training and advisory missions. To this end, around 210 training sessions were carried out, both technical and functional, for an audience of more than 4,000 participants. Nearly 2,000 customs officers and brokers countrywide were trained in Afghanistan.

21. A salient event in 2014 was the installation of the ASYCUDA Performance Indicators Module in Liberia with the assistance of the World Customs Organization and funding from the Norwegian Agency for Development Cooperation, just before the current outbreak of the Ebola virus disease. Initial results were rapidly seen in the area of reduction of manual reassignment and increased recovery of duties and taxes due to the introduction of new measures supported by evidence given by the module. A number of countries using the ASYCUDA system have expressed interest in installing this module.

22. In 2014, memorandums of understanding were signed or letters exchanged with the following: Aqaba Special Economic Zone Authority, Jordan; Common Market for Eastern and Southern Africa; Convention on International Trade in Endangered Species of Wild Fauna and Flora, Office for the Coordination of Humanitarian Affairs; and World Trade Organization. New discussions for partnerships were initiated with the United Nations Educational, Scientific and Cultural Organization and the World Customs Organization, while discussions continued with the United Nations Office on Drugs and Crime and the Universal Postal Union. With regard to ASYCUDA, such framework instruments are important for ensuring the prompt delivery of technical assistance and long-term sustainability of cooperation and for observing intellectual property rights for the ASYCUDA software.

# VI. Knowledge development

23. Two main groups of activity are undertaken by the UNCTAD Knowledge Development Branch, centred on the TrainForTrade Programme and courses on key issues on the international economic agenda.

## 1. Activities of the Human Resources Development Section: TrainForTrade Programme

24. Activities undertaken in the context of human resources development and TrainForTrade focus on developing skills and knowledge through innovative approaches based on a recognized pedagogical method and technological solutions. Technical assistance projects with core components on international trade and development are undertaken based on cross-divisional cooperation. Activities include the Port Training Programme delivered through four language-based networks. Moreover, advice is provided on the use of information and communications technology to promote knowledge sharing, networking and competence building.

25. Emphasis is placed on the training of local experts as trainers in order to create sustainable knowledge sharing processes and the promotion of networking and South-South cooperation among beneficiaries. New learning tools are continuously developed by exploring technological opportunities such as e-learning and mobile learning. In 2014, TrainForTrade delivered nine face-to-face and e-learning courses in interdivisional cooperation. A total of 1,242 trade operators (38 per cent women) from 51 developing countries, including 15 least developed countries, participated in these courses.

26. Collaboration has also taken place with the Staff Development and Learning Section of the United Nations Office at Geneva by providing hosting services for the Learning and Content Management System used by more than 1,200 students each trimester to access course materials and technical support services. Collaboration also continued with the Office for the Coordination of Humanitarian Affairs on e-learning activities, including three online courses. New collaboration has been established with the World Food Programme to develop e-learning programmes for its staff worldwide. Interdivisional support is also provided in UNCTAD related to capacity development and e-learning.

27. TrainForTrade launched a project in West Africa in 2013 in collaboration with the Information and Communications Technology Analysis Section of UNCTAD and the Commission of the Economic Community of West African States, to strengthen capacities in the area of e-commerce in West African countries (Benin, Burkina Faso, the Gambia, Ghana, Guinea, Mali, Senegal and Togo), and Côte d'Ivoire, Liberia, the Niger, Nigeria and Sierra Leone have since been included as beneficiary countries. The project will follow the TrainForTrade strategy, with particular emphasis on Millennium Development Goal 8 (develop a global partnership for development), and will support the implementation of existing legal frameworks on e-transactions at the national level through capacity-building workshops organized between 2013 and 2015.

28. TrainForTrade also organized a small private online course[2] on the legal aspects of e-commerce in collaboration with the Information and Communications Technology Analysis Section, as well as the secretariats of the Association of Caribbean States and Latin American and Caribbean Economic System. This course had 300 participants

[2] Massive online open courses address large numbers of students while small private online courses are restricted to a specific target population and have their training material protected by copyright.

(including 130 women) from 21 Latin American and Caribbean countries. The course was followed by a regional workshop on the harmonization of e-commerce legislation, held in Ecuador, attended by 40 representatives from 20 Latin American and Caribbean countries. Following the course, TrainForTrade contributed to the South School on Internet Governance, organized in Trinidad and Tobago.

29. Following the TrainForTrade capacity-development activities in the framework of the Growing Sustainable Business project of the United Nations Development Programme in Angola in 2013, the Human Resources Development Section has been preparing to launch a new phase of a project to be financed by the European Commission. The financing agreement for this trade support project was signed in December 2014 between the Government of Angola and representatives of the European Commission in Angola.

30. Follow-up workshops for the course on the legal aspects of e-commerce were held in Dakar in February 2014 (in French), with 23 participants (including seven women), and in Accra in March 2014 (in English), with 22 participants (including eight women).

31. An e-learning course on e-commerce for practitioners took place between March and April 2014, with 150 registered participants (including 27 women). A face-to-face workshop in French was successfully delivered to 25 participants. The current outbreak of the Ebola virus disease in West Africa resulted in the postponement of the English workshop, initially planned for delivery in Banjul in September 2014, to 6 to 9 March 2015.

32. An e-learning course on the legal aspects of e-commerce was delivered between 13 October and 14 November 2014. Of the 168 participants who registered (including 29 women), 122 participants (including 28 women) successfully completed the course.

33. The TrainForTrade Port Training Programme plays a vital role in supporting port communities in developing countries in their quest for efficient and competitive port management. Talent management and leadership development is a crucial part of the Programme. The Programme operates through four language-based networks (English, French, Portuguese and Spanish) in Africa, Asia, the Caribbean, Europe and Latin America. The Programme hosts a high-end course on modern port management and entails a powerful scheme to induce value-added solutions in port communities.

34. The Port Training Programme brings together public, private and international entities to share expertise and best practices. Partnerships have been established with European ports to share their knowledge and expertise with ports in the South. Annual regional meetings bring together port officials from different countries, promoting the sharing of experiences and expertise. South-South collaboration between port communities is promoted, as it is crucial for knowledge development. For example, the exchange of participants is encouraged in order to increase participants' exposure to different port set-ups, as well as to facilitate the transfer of knowledge.

35. In 2014, 64 courses were held globally for 460 participants, including 261 trainers from 21 countries (including eight least developed countries).

*English-speaking network*

36. A Training of Trainers Workshop covering modules one to four was organized by UNCTAD and the Dublin Port Company from 25 March to 3 April 2014 in Dublin, in cooperation with the Belfast Harbour Commissioners, Drogheda Port Company and Port of Cork Company and with the support of Irish Aid.

37. On 18 September 2014, UNCTAD signed a memorandum of understanding with the Permanent Representative of Ireland to the United Nations Office and other international organizations in Geneva, a board member of the Dublin Port Company and the chief executive officer of the Port of Cork Company, who reaffirmed their strong commitment to

the Port Training Programme for 2014–2016. In his welcoming address, the Secretary-General of UNCTAD drew attention to the pivotal role that ports play in international trade, as sea transport accounts for the most important movement of goods. The Permanent Representative of Indonesia expressed his strong appreciation of the Programme, describing it as an excellent example of technical assistance. Representatives of the Philippines reiterated the importance of the Programme, in particular for their nation as an archipelagic State.

*French-speaking network*

38. The French-speaking African members of the Port Training Programme held final dissertation panels and organized new training cycles for the programme in Benin, Côte d'Ivoire, Guinea, Senegal and Togo. The annual coordination meeting of the French-speaking network took place on 15 and 16 April 2014 in Dakar. Participants from Benin, Cameroon, Côte d'Ivoire, Gabon, Guinea, Haiti, Senegal and Togo reviewed the activities of the past year, exchanged best practices and agreed on the way forward.

39. In line with the action plan agreed upon at the coordination meeting, a Training of Trainers Workshop covering modules one to four was organized in June 2014 at the Nantes Saint-Nazaire Port. The 23 workshop participants (including five women) evaluated the workshop very positively in terms of subject matter and depth, teaching method, time allocated and exercises provided. Participants also commended the quality of the training material developed by TrainForTrade.

*Spanish-speaking network*

40. A Training of Trainers Workshop was held in Gijón, Spain from 3 to 14 March, in collaboration with the Valenciaport Foundation and Port Authorities of Valencia and Gijón.

41. The network completed the first cycle of the course on modern port management in the Dominican Republic and the third cycle in Peru. At a coordination meeting held in Peru, representatives from member ports of the Dominican Republic and Peru and partner ports of Spain expressed satisfaction with the programme and requested the start of a new cycle in 2015.

42. The Port Training Programme, with the support of Irish Aid and the Philippine Ports Authority, co-organized the first International Port Performance Workshop in October 2014 in Manila. The workshop gave an opportunity to prepare senior managers of the English, French, Portuguese and Spanish port training networks on the changes and strategic reforms for modern seaports, towards greater competitiveness based on higher standards of performance.

## 2. Activities of the Policy Capacity-building Section: Courses on key issues on the international economic agenda

43. The courses on key issues on the international economic agenda, also known as the P166 courses in reference to paragraph 166 of the Bangkok Plan of Action, aim to provide policymakers with knowledge and skills to design and implement trade and development policies that correspond to the needs and interests of their countries. This is a unique cross-divisional programme undertaken in UNCTAD, with staff in different divisions involved in design and delivery of the curriculum. Inputs from the United Nations Regional Commissions, as well as national experts from the countries hosting the regional courses, form an integral part of this process.

44. In 2014, two regional courses were organized, for countries with economies in transition (July, University of Belgrade, Serbia) and for Western Asia (October, Oman). A total of 34 participants (including 17 women) took part in these courses.

45. Another event of interest in 2014 was the selection of multi-year (2015–2019) venues for regional courses, as follows: EAFIT University, Medellin, Colombia for Latin America and the Caribbean; and Singapore for Asia and the Pacific.

46. In 2014, six short courses were organized for Geneva-based delegates on the following issues: rethinking the global development agenda – a 50-year perspective; information and communications technologies for development – the cloud economy and developing countries; UNCTAD programme on non-tariff measures in world trade; proactive fiscal, trade and industrial policies and their role in attaining development goals; global value chains – enhancing the participation of small and medium-sized enterprises from a development perspective; and transfer of technology and development – key policy issues and recent national experiences. Over 150 delegates participated in these courses.

47. In 2014, the websites related to the short courses for Geneva-based delegates and regional courses on key issues on the international economic agenda were further upgraded. Particular attention was paid to ensuring more efficient and effective procedures for course registration and content management through innovative information technology solutions.